

COMMITTEE REPORT

MADAM PRESIDENT:

The Senate Committee on Education and Career Development, to which was referred Senate Bill No. 324, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, line 7, delete "in".
- 2 Page 1, line 7, delete "6, 7," and insert "7".
- 3 Page 1, line 9, delete "6;" and insert "7;".
- 4 Page 2, between lines 29 and 30, begin a new paragraph and insert:
- 5 "SECTION 3. IC 20-19-2-20 IS ADDED TO THE INDIANA
- 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
- 7 [EFFECTIVE JULY 1, 2006]: **Sec. 20. (a) The state board shall**
- 8 **analyze annually state, local, and other:**
- 9 **(1) statutes;**
- 10 **(2) rules;**
- 11 **(3) policies; and**
- 12 **(4) related requirements;**
- 13 **that affect school corporations and public schools to identify the**
- 14 **statutes, rules, policies, and related requirements that restrict or**
- 15 **inhibit the ability of school corporations and public schools to**
- 16 **maximize the allocation of resources to, and focus efforts on,**
- 17 **student instruction and learning, or to develop and implement**
- 18 **innovative approaches to improving student achievement.**
- 19 **(b) In conducting the analysis required under subsection (a), the**
- 20 **state board may retain the assistance the state board considers**
- 21 **necessary, including the assistance of the following:**

1 (1) The office of management and budget.

2 (2) A government efficiency commission that addresses
3 schools.

4 (3) Consultants.

5 (c) Following the annual identification of statutes, rules, policies,
6 and related requirements under subsection (a), the state board may
7 take one (1) or more of the following actions:

8 (1) Repeal the rules, policies, or requirements that are within
9 the authority of the state board. A repeal under this
10 subdivision may be undertaken:

11 (A) at any time;

12 (B) following public comment; and

13 (C) by emergency rule.

14 (2) Recommend to the general assembly the repeal of statutes.

15 The recommendations under this subdivision must be made:

16 (A) annually not later than September 1; and

17 (B) to the executive director of the legislative services
18 agency in an electronic format under IC 5-14-6.

19 (3) Report to the governor, the general assembly, and the state
20 superintendent concerning the statutes, rules, policies, and
21 requirements that are not within the authority of the state
22 board or general assembly. A report under this subdivision:

23 (A) may be made at any time; and

24 (B) when made to the general assembly, must be made to
25 the executive director of the legislative services agency in
26 an electronic format under IC 5-14-6."

27 Page 3, between lines 10 and 11, begin a new paragraph and insert:

28 "SECTION 6. IC 20-26-16 IS ADDED TO THE INDIANA CODE
29 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
30 JULY 1, 2006]:

31 **Chapter 16. Deregulated School Corporations**

32 **Sec. 1.** The governing body of a school corporation may
33 designate the school corporation as a deregulated school
34 corporation that is free to focus on improving the academic
35 achievement of the school corporation's students by using freedom
36 from regulation to:

37 (1) allocate resources toward; and

38 (2) focus efforts on;

1 student instruction and learning.

2 Sec. 2. (a) To designate a school corporation as a deregulated
3 school corporation that is free to focus on improving academic
4 improvement, a governing body shall submit notice of the school
5 corporation's intent to become a deregulated school corporation to
6 the state board. The notice must:

- 7 (1) be in writing;
- 8 (2) attest that the governing body has voted to become a
9 deregulated school corporation that is free to focus on
10 improving academic achievement; and
- 11 (3) inform the state board that the school corporation will
12 become a deregulated school corporation on the July 1 next
13 following the date of the notice.

14 (b) A notice under this section is effective upon receipt by the
15 state board.

16 Sec. 3. A school corporation becomes a deregulated school
17 corporation that is free to focus on improving academic
18 achievement on the July 1 next following the date of the governing
19 body's notice to the state board.

20 Sec. 4. The following apply to a deregulated school corporation:

21 (1) Except as specifically provided in this chapter, the
22 following do not apply to a deregulated school corporation:

- 23 (A) An Indiana statute applicable to a governing body or
24 school corporation.
- 25 (B) A rule or guideline adopted by the state board.
- 26 (C) A rule or guideline adopted by the advisory board of
27 the division of professional standards established by
28 IC 20-28-2-2, except for those rules that assist a teacher in
29 gaining or renewing a standard or advanced license.
- 30 (D) A local regulation or policy adopted by the governing
31 body of the deregulated school corporation, unless the
32 regulation or policy is specifically readopted by the
33 governing body after the governing body has voted to
34 become a deregulated school corporation.

35 (2) The school corporation and schools within the school
36 corporation must continue to comply with the following:

- 37 (A) Applicable federal laws.
- 38 (B) The Constitution of the State of Indiana.

1 (C) Federal and state laws that prohibit discrimination.

2 (D) Bidding, wage determination, and other statutes and
3 rules that apply to the use of public funds for the
4 construction, reconstruction, alteration, or renovation of a
5 public building.

6 (E) The following statutes:

7 (i) IC 5-10.3 (public employees' retirement fund).

8 (ii) IC 5-11-1-9 (required audits by the state board of
9 accounts).

10 (iii) IC 20-26-5-6 (subject to regulation by state agencies).

11 (iv) IC 20-26-5-10 and IC 20-28-5-9 (criminal history).

12 (v) IC 20-26-6-2 (unified accounting system).

13 (vi) IC 20-28-4 (transition to teaching).

14 (vii) IC 20-28-6, IC 20-28-7, IC 20-28-8, IC 20-28-9, and
15 IC 20-28-10 (contracts with teachers and administrators,
16 salary, and conditions of employment).

17 (viii) IC 20-29 (collective bargaining).

18 (ix) IC 20-30-2 (calendar).

19 (x) IC 20-30-3-2 and IC 20-30-3-4 (patriotic and
20 commemorative observances).

21 (xi) IC 20-30-5-0.5 (concerning the pledge of allegiance).

22 (xii) IC 20-30-10 (college preparation curriculum).

23 (xiii) IC 20-30-11 (postsecondary enrollment program).

24 (xiv) IC 20-31 (accountability for school performance
25 and improvement).

26 (xv) IC 20-32 (student standards, assessment, and
27 performance).

28 (xvi) IC 20-33-2 (compulsory school attendance).

29 (xvii) IC 20-33-3 (limitations on employment of children).

30 (xviii) IC 20-33-7 (parental access to education records).

31 (xix) IC 20-33-8 (student discipline).

32 (xx) IC 20-33-9 (reporting of student violations of law).

33 (xxi) IC 20-34-3 (health and safety measures).

34 (xxii) IC 20-34-4 (immunizations).

35 (xxiii) IC 20-35 (special education).

36 (xxiv) IC 21 (school finance).

37 (xxv) IC 21-6.1 (teacher retirement).

38 Sec. 5. (a) A deregulated school corporation shall submit

periodic reports, at the times set by the state board, to the department and state board, with the content and in formats prescribed by the state board, containing the following information:

(1) Financial information.

(2) Student performance data, including the results of all standardized testing, ISTEP program testing, and the graduation examination.

(3) A description of the educational methods and teaching methods employed.

(4) Daily attendance records.

(5) Graduation statistics, including the number of students attaining Core 40 and academic honors diplomas.

(6) Student enrollment data, including the following:

(A) The number of students enrolled in the school corporation and each school in the school corporation.

(B) The number of students suspended or expelled from schools in the school corporation, including the reasons for the suspensions or expulsions.

(C) The number of students who ceased to attend schools in the school corporation, including the reasons for the cessation.

(7) Any information necessary to comply with federal or state reporting requirements.

(8) Any other information specified by the state board.

(b) A deregulated school corporation and each school within the school corporation shall publish the annual performance report required under IC 20-20-8.

Sec. 6. (a) Before becoming a deregulated school corporation under section 3 of this chapter, a governing body may waive any statutes, rules, or policies that the governing body may waive under section 4 of this chapter.

(b) A governing body shall submit notice of the statutes, rules, or policies the governing body seeks to waive to the state board under section 2 of this chapter.

(c) Unless the state board, with the advice of the department, provides written notice to the governing body of reasons the governing body may not waive a specific statute, rule, or policy, a

1 waiver under this section takes effect ninety (90) days after the
2 state board receives notice of the waiver.

3 **Sec. 7. The state board may revoke the deregulated status of a**
4 **school corporation at any time if the state board determines that at**
5 **least one (1) of the following has occurred:**

6 (1) **The school corporation fails to comply with applicable laws**
7 **or conditions established under this chapter.**

8 (2) **The school corporation fails to meet the educational and**
9 **financial goals for the school corporation established by**
10 **federal or state law, or by the state board.**

11 (3) **The school corporation fails to comply with financial**
12 **management, accounting, or reporting requirements.**

13 **Sec. 8. Not later than December 31 of each year, the state board**
14 **shall issue a report to the governor and the general assembly**
15 **concerning the status, actions, and academic and financial results**
16 **of a deregulated school corporation. A report to the general**
17 **assembly must be made to the executive director of the legislative**
18 **services agency in an electronic format under IC 5-14-6."**

19 Page 3, line 40, delete "gasoline." and insert "fuel."

20 Page 8, delete lines 15 through 42.

21 Delete page 9.

22 Page 10, delete lines 1 through 40.

23 Page 11, line 9, delete "fifty".

24 Page 11, line 9, delete "(\$150,000)" and insert "(\$100,000)".

25 Page 13, between lines 10 and 11, begin a new paragraph and insert:

26 "SECTION 16. IC 36-1-12-22 IS ADDED TO THE INDIANA
27 CODE AS A NEW SECTION TO READ AS FOLLOWS
28 [EFFECTIVE JULY 1, 2006]: **Sec. 22. (a) A school corporation may**
29 **purchase the following materials for a public work project as**
30 **provided in IC 5-22:**

31 (1) **Roofing materials.**

32 (2) **Commercial floor coverings.**

33 (3) **Athletic resurfacing materials.**

34 (4) **Playground equipment.**

35 (b) **Labor used in any part of a public work project for which**
36 **materials are purchased under subsection (a) from a contractor**
37 **selected by a competitive sealed bidding process through a**
38 **cooperative purchasing program may be included in the purchase**

- 1 **if:**
- 2 **(1) the labor is performed by an Indiana based contractor or**
- 3 **subcontractor;**
- 4 **(2) the labor is subject to IC 5-16-7, except that the wage scale**
- 5 **must be established two (2) weeks before the issuance of a**
- 6 **contract for the actual performance of the work; and**
- 7 **(3) the employees of each Indiana based contractor or**
- 8 **subcontractor providing labor have completed or are enrolled**
- 9 **in an apprenticeship program certified by the United States**
- 10 **Department of Labor Bureau of Apprenticeship and Training.**
- 11 **(c) Notwithstanding the manner in which materials and labor**
- 12 **are purchased under this section, the cost of a public work project**
- 13 **under this section shall be determined in accordance with**
- 14 **IC 36-1-12-19.**
- 15 **(d) A purchase of materials and labor for a public work project**
- 16 **under this section is exempt from publishing notice under**
- 17 **IC 5-3-1."**
- 18 Page 13, line 26, delete "or license".
- 19 Page 13, line 27, delete "certificate or" .
- 20 Page 13, line 27, delete "by a professional" and insert "**under**
- 21 **IC 25-23;"**.

- 1 Page 13, delete line 28.
- 2 Page 13, line 29, delete "serves" and insert "**services**".
- 3 Renumber all SECTIONS consecutively.
(Reference is to SB 324 as introduced.)

and when so amended that said bill do pass.

Committee Vote: Yeas 7, Nays 0.

Lubbers

Chairperson